

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS

SUPERIOR COURT

Docket No. 08-E-0053

**In the Matter of the Liquidation of  
Noble Trust Company**

**ORDER APPROVING SETTLEMENT AND RELEASE AGREEMENT  
WITH PENN MUTUAL LIFE INSURANCE COMPANY**

Upon consideration of the Liquidator's Motion and Incorporated Supporting Memorandum for Approval of Settlement and Release Agreement with Penn Mutual Life Insurance Company dated July 27, 2015 (the "Motion") pursuant to which Glenn A. Perlow, Bank Commissioner for the State of New Hampshire, in his capacity as Liquidator of Noble Trust Company (the "Liquidator" and "Noble Trust," respectively), seeks approval of a Settlement and Release Agreement by and between the Liquidator and Penn Mutual Life Insurance Company (the "Settlement Agreement"); due written notice of the Motion, the hearing on the Motion and the deadline for filing objections thereto having been given and served upon all creditors, investors, and other interested persons entitled thereto, including by publication in the manner specified by this Court's Order Approving Notice and Objection Procedures for Hearing on Motion for Approval of Settlement and Release Agreement with Penn Mutual Life Insurance Company dated July 29, 2015 (the "Procedures Order"); this Court having reviewed the Motion, the Affidavit of Robert A. Fleury in Support of the Motion and the unredacted Settlement Agreement filed under seal in accordance with this Court's Order Establishing Settlement Agreement Review Procedures dated December 5, 2012; there being no objections to the Motion; having heard the arguments and statements of counsel, and being otherwise fully advised in the premises; and having found that approval of the Settlement

Agreement is an appropriate and prudent exercise of the Liquidator's judgment, is fair and reasonable and is in the best interests of this estate and its creditors; and, after due deliberation and sufficient cause appearing therefor; it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is granted, and the Settlement Agreement is approved. The Liquidator, Penn Mutual Life Insurance Company ("Penn Mutual") and all other parties are authorized to take all steps and execute all documents necessary or convenient to consummate or otherwise enter into the Settlement Agreement. Neither the Liquidator nor Penn Mutual shall have or incur any liability to any person or entity with respect to any of the actions required or permitted to implement the Settlement Agreement or for having entered into the Settlement Agreement.

2. Having complied with the Procedures Order, the Liquidator has provided adequate and sufficient notice to investors, creditors, and any and all other interested persons whose interests may be affected by the approval and implementation of the Settlement Agreement, of the hearing on the Motion, the issues to be decided at the hearing, and the deadline for filing objections. Accordingly, the Liquidator has complied with all applicable requirements of due process with respect to the Motion and the relief requested therein.

3. The Settlement Agreement shall not become effective unless and until this order becomes final. This order each shall become final on the date that it is no longer subject to appeal, or in the event of an appeal(s), has been affirmed after all appeals therefrom have been exhausted ("Court Approval").

4. The Policies<sup>1</sup> are hereby void *ab initio*, and no individual or entity shall have any rights with respect to the Policies, at law or in equity.

5. Penn Mutual has paid to the Liquidator a confidential settlement amount (the "Settlement Amount"), which the Liquidator has deposited in a separate, segregated account (the "Settlement Account") pending Court Approval. If Court Approval does not become effective, the Liquidator shall thereupon return the Settlement Amount to Penn Mutual, without setoff or deduction on account of any claim that the Liquidator or any Third Party may otherwise have against Penn Mutual or any other claim that is made in the Liquidation Proceeding. Upon Court Approval, the Settlement Amount shall be released from the Settlement Account and accepted by the Liquidator.

6. All releases by and between the Liquidator and Penn Mutual provided for in the Settlement Agreement are approved, which releases are binding upon Third Parties. The releases do not constitute a release of any claims against any other person or entity, including Lindsey, Balcarres, or any Third Party.

7. Any and all Third Parties are forever barred from pursuing claims against Penn Mutual or the Liquidator related in any way to the Policies, the Trusts, the Settlement Agreement, or the Liquidation Proceeding. Without limiting the foregoing bar of claims, Third Parties are forever barred from pursuing claims against Penn Mutual or the Liquidator asserted by, through, or under the Trusts.

8. The termination/voiding of the Policies shall be free and clear of all liens, claims and interests in any of the Policies of any kind or nature whatsoever held by any individual or entity. All such liens, claims and interests against any of the Policies shall be subject to

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<sup>1</sup> Capitalized terms used in this Order and not otherwise defined herein are intended to have the same meaning as ascribed to them in the Settlement Agreement and/or the Motion.

allowance or disallowance as part of the claims adjudication process in the Liquidation Proceeding, including under the Amended Plan of Liquidation as Modified dated October 7, 2014, which was approved by order of the Court on October 7, 2014 and became a final order on November 7, 2014.

9. The Liquidator is authorized to utilize the Policy documents as evidence in the course of administering any claim against the liquidation estate in connection with the Policies. Any such use by the Liquidator of the Policy documents will not impact the fact that the Policies have been terminated and are void *ab initio*.

So Ordered.

Dated: 10/19, 2015



Hon. ~~Larry M. Smukler~~

Diane M. Nicolosi